

REMARKS

The Board of Patent Appeals and Interferences reversed the prior art rejections on appeal, but made a new ground of rejection. Claims 1-4, 9, and 10-21 were rejected under 35 U.S.C. §101 as being non-statutory. Applicants elect the option provided by the Board to re-open prosecution. This amendment is in response to the new grounds of rejection made by the Board.

Claims 23-26 were not rejected because the Board determined that independent claims 22, 23, 25, and 26 “recite limitations similarly directed to an algorithm for determining DCTs, but further recite receiving a bit stream (video signal) and selecting coefficients from the calculated coefficients and transmitting a bit stream (video signal) using only the selected coefficients. Thus, we find that these claims recite a practical application of the algorithm of transforming the bit stream of a digital image and as such are drawn to statutory subject matter.” See page 9. The Board also points out that encoding/decoding with DCT calculations being used in transmission and reception of video images to allow for video viewing amongst users with different bandwidth or computational requirements (referencing the specification at pages 1 and 2) is a practical application. See page 5.

Independent claims 11 and 12 are amended to recite “transmitting a bit stream representing digitalized images to a user which requires a reduction of the bit stream.” A transcoder is recited that receives a first encoded bit stream, and the recited DCTs are calculated to produce a second encoded bitstream. The transcoder transmits that second encoded bit stream to the user. Clearly, this is a practical application of “transforming the bit stream of a digital image” given that it is implemented using a practical device, i.e., a transcoder, and the encoded bit stream representing digitalized images is sent to a user. Accordingly, these claims recited statutory subject matter.

• CHRISTOPOULOS et al.
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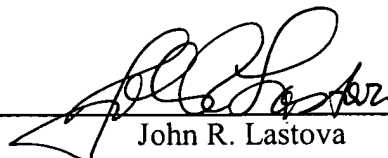
Claims 1-10 and 15-21 are canceled so their rejection is moot. New claims 27-29 depend from allowed independent claims and recite the dependent claim subject matter of now-canceled claim 3 and also should be allowed.

The application is in condition for allowance. An early notice to that effect is respectfully requested.

Respectfully submitted,

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